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| APPLICATION NO.   | FILING DATE | FIRST NAMED INVENTOR | ATTORNEY DOCKET NO. | CONFIRMATION NO. |
|---|-------------|----------------------|---------------------|------------------|
| 10/610,955  | 07/01/2003  | David Myr            | MAK-104US           | 5768             |
| 23122   | 7590        | 12/15/2005           | EXAMINER            |                  |
| RATNERPRESTIA<br>P O BOX 980<br>VALLEY FORGE, PA 19482-0980 |             |                      | VIG, NARESH         |                  |
|   |             | ART UNIT             | PAPER NUMBER        |                  |
|   |             | 3629                 |                     |                  |

DATE MAILED: 12/15/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

|                              |                        |                     |  |
|------------------------------|------------------------|---------------------|--|
| <b>Office Action Summary</b> | <b>Application No.</b> | <b>Applicant(s)</b> |  |
|                              | 10/610,955             | MYR, DAVID          |  |
|                              | Examiner<br>Naresh Vig | Art Unit<br>3629    |  |

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --  
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

#### Status

1) Responsive to communication(s) filed on 01 July 2003.  
 2a) This action is FINAL.                    2b) This action is non-final.  
 3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

#### Disposition of Claims

4) Claim(s) 1-11 is/are pending in the application.  
 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.  
 5) Claim(s) \_\_\_\_\_ is/are allowed.  
 6) Claim(s) 1-11 is/are rejected.  
 7) Claim(s) \_\_\_\_\_ is/are objected to.  
 8) Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

#### Application Papers

9) The specification is objected to by the Examiner.  
 10) The drawing(s) filed on \_\_\_\_\_ is/are: a) accepted or b) objected to by the Examiner.  
 Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
 Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).  
 11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

#### Priority under 35 U.S.C. § 119

12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).  
 a) All    b) Some \* c) None of:  
 1. Certified copies of the priority documents have been received.  
 2. Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.  
 3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

#### Attachment(s)

|   |   |
|---|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)   | 4) <input type="checkbox"/> Interview Summary (PTO-413)                     |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)  | Paper No(s)/Mail Date. _____ .  |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)<br>Paper No(s)/Mail Date <u>20031017</u> . | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
|   | 6) <input type="checkbox"/> Other: _____ .                                  |

**DETAILED ACTION*****Claim Rejections - 35 USC § 112***

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claims 1 – 11 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Applicant recites limitation A method and a system to appraise real estate property within all approaches used together by the means of nonlinear programming. Applicant has not provided a list of approaches that form a group consisting of all approaches as claimed by the applicant.

In the disclosure originally filed 01 July 2003, applicant recites:

[0016] While the Monte Carlo simulation eliminates the problem of single-point values, this approach is used only in specific applications such as DCF modeling it is not generally used in overall appraisal process.

[0027] Many of these known AVM systems focus on providing an estimate of value that has been derived from a number of transactions. Often the analysis is made based on the property records (limited to parcel level inventories) sometimes of questionable quality. Generally, most of these models attempt to

facilitate gathering of comparable data according to one appraisal approach, typically the market approach.

[0035] An appraiser often employs more than one approach to perform the valuation. In Eminent Domain or other litigation processes it is always recommended to use several approaches to establish convincing argument for the final property valuation.

[0037] Typically, appraisers apply the sales comparison (Sales Comparison Approach), income capitalization (Income Approach) and cost (Cost Approach) individually. When more than one approach is applied, typically different values are obtained for each approach. After reviewing the reliability of data and analyzing the difference between valuation results, the appraiser determines the final value (reconciliation or correlation).

In response to this office action please provide the information on within all approaches used together by the means of nonlinear programming. Applicant must add the statement No New Matter Has Been Added.

### ***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1 – 11 are rejected under 35 U.S.C. 103(a) as being unpatentable over Robbins US Publication 2001/0039506 in view of Newsletter for INFORMS Computing Society hereinafter known as INFORMS and Applicant Admitted Prior Art in the disclosure filed 01 July 2001 hereinafter known as AAPA.

Regarding claim 1, Robbins teaches system and method to appraise real estate property within an approach. Robbins teaches that in determining the market value of a subject property an appraiser generally considers three separate approaches to value; the Cost Approach, the Income Approach and the Sales Comparison Approach. Robbins does not teach appraisal by the means of nonlinear programming. AAPA recites “[0098] Global Optimum: A number of software packages available today are capable of solving such problems such as MS Excel Solver, LINGO and other optimization software. In general, algorithms found in commercial software packages are capable of searching only for a local minimum or maximum which may or may not constitute the global optimum solution, therefore there is a need to assure that the global optimum solution has been reached by using optimization software that finds the global optimum solution, such as LINGO”. INFORMS teaches Modeling languages revolutionized the way optimization can be applied to a broad spectrum of problems. INFORMS teaches that LINGO 7 recognizes and accurately implements a wide range of functions. These include most of the popular probability distributions, math functions, and financial functions such as present value. These functions can be used in integer and nonlinear models. Therefore, it would have been obvious to

one of ordinary skill in the art at the time the invention was made to modify Robbins as taught by INFORMS and use nonlinear programming for locating maximum or minimum of a function of variables that are subject to constraints, or both.

Regarding claim 2, Robbins in view of INFORMS and AAPA teaches ranges of all relevant influence factors of approaches used are optimized automatically.

Regarding claim 3, Robbins in view of INFORMS and AAPA teaches discrepancy or outliers of relevant influence factors are eliminated automatically.

Regarding claim 4, Robbins in view of INFORMS and AAPA teaches value range of each individual approach used is obtained optimal and automatically.

Regarding claim 5, Robbins in view of INFORMS and AAPA teaches Feasibility Study is obtained optimally and automatically.

Regarding claim 6, Robbins in view of INFORMS and AAPA teaches Sensitivity Analysis of the influenced factors of all approaches used together is obtained optimally and automatically.

Regarding claim 7, Robbins in view of INFORMS and AAPA teaches ranges of value of approaches used are reconciled optimally and automatically.

Regarding claim 8, Robbins in view of INFORMS and AAPA teaches several combinations of optimal influenced factors bring automatically the same optimal value.

Regarding claim 9, Robbins in view of INFORMS and AAPA teaches highest and best use is obtained separately for each use, optimally and automatically.

Regarding claim 10, Robbins in view of INFORMS and AAPA teaches project stages considered in a specific appraisal approach are optimized automatically.

Regarding claim 11, Robbins in view of INFORMS and AAPA teaches different capitalization rates considered in a specific appraisal approach are optimized automatically.

***Conclusion***

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure. Applicant is required under 37 CFR '1.111 (c) to consider the references fully when responding to this office action.

1. Non Linear Programming Frequently Asked Questions.
2. Fleming US Patent 6,876,955

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Naresh Vig whose telephone number is (571) 272-6810. The examiner can normally be reached on M-F 7:30 - 6:00 (Wednesday off).

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, John Weiss can be reached on (571) 272-6812. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



Naresh Vig  
Examiner  
Art Unit 3629